

SENATE/HOUSE FILE _____
BY (PROPOSED JOINT APPROPRIATIONS
SUBCOMMITTEE ON OVERSIGHT
AND COMMUNICATIONS BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: **Ayes** _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the eligibility of certain child care
2 providers who have committed a fraudulent act involving public
3 child care funding to receive further public funding.
4 BE IT **ENACTED BY** THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 237A.29, Code 2001, is amended to read
2 as follows:

3 237A.29 ~~STATE-AND-FEDERAL~~ PUBLIC FUNDING OF CHILD CARE.

4 1. State funds and federal funds provided to the state in
5 accordance with federal requirements shall not be used to pay
6 for the care, supervision, and guidance of a child for periods
7 of less than twenty-four hours per day on a regular basis
8 unless the care, supervision, and guidance is defined as child
'9 care as used in this chapter.

10 2. a. For the purposes of this subsection, "fraudulent
11 means" means knowingly making or causing to be made, a false
12 statement or a misrepresentation of a material fact, knowingly
13 failing to disclose a material fact, or committing a
14 fraudulent practice.

15 b. If a child care provider has been found in an
16 administrative or criminal proceeding to have obtained, by
17 fraudulent means, public funding for provision of child care
18 in an amount equal to or in excess of the minimum amount for a
19 fraudulent practice in the second degree under section 714.10,
20 subsection 1, the child care provider is ineligible to receive
21 subsequent public funding for provision of child care.

22 c. In determining the value of the public funding obtained
23 by fraudulent means, if the public funding is obtained by two
24 or more acts of fraudulent means by the same person or
25 location, or is obtained by different persons by two or more
26 acts which occur in approximately the same location or time
27 period. so that the fraudulent means used to obtain the public
28 funding are attributable to a single scheme, plan, or
29 conspiracy, these acts may be considered as a single instance
30 of the use of fraudulent means and the value may be the total
31 value of all money involved.

32 EXPLANATION

33 This bill provides that a child care provider who has been
34 found in an administrative or criminal proceeding to have used
35 fraudulent means to obtain public funding for child care is

1 ineligible to receive further public funding for provision of
2 child care.

3 The bill defines "fraudulent **means**" to mean knowingly
4 making a false statement or misrepresenting a material fact,
5 knowingly failing to disclose a material fact, or committing a
6 fraudulent practice. If a child care provider is found to
7 have used fraudulent means to obtain public funding for
8 provision of child care in an amount equal to or in excess of
9 the minimum amount for a fraudulent practice in the second
10 **degree**, the provider is ineligible to receive further public
11 funding for provision of child care. The minimum amount **for** a
12 fraudulent practice in the second degree under Code section
13 **714.10(1)** is an amount in excess of \$1,000. Such fraudulent
14 practice is a class "D" felony.

15 The bill provides that in determining the value of the
16 public funding obtained by **fraudulent means**, if two or more
17 acts of fraudulent means used to obtain the funding are
18 attributable to a single scheme, plan, or conspiracy, these
19 acts may be considered to be a single instance of the use of
20 fraudulent means and the value is the total value of all money
21 involved.

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